

Pensions

often repeated the commitment of this government to bring all the senior citizens who now receive the supplement over the poverty line. Some might criticize this objective, but it is a priority of the Liberal government. Those who live alone are often women. In spite of the increase of \$420 a year which we granted after being returned to power, the couples who are now over the poverty line must not make us forget that many people who live alone, whether single, separated, divorced, widows or widowers, are still below the poverty line. As soon as economic conditions permit, we want to find and set aside the amount required to give them an income which will put them once and for all above the poverty line. We are speaking of about \$730 million. We are therefore speaking of a large amount which is not easy to release in view of the present economic conditions. Last July, we released over \$500 million and we placed the burden of this allocation on corporate taxes. I believe that this was a fair procedure to achieve social equity. However, we decided to act in two stages, which represented first an increase of \$35 a month, or \$420 more a year—and I would like to point out the large difference between this amount and the \$40 a year increase suggested by the NDP—and there is still one stage remaining.

This is what we shall bring at the National Pensions Conference. At this conference, the private sector, which is not monolithic, but which includes people with sometimes diverse if not contradictory interests, whether they be life insurance agents, actuaries, pension fund managers for other companies or individuals, major employers with their own pension funds, and so on, all those who make up the private sector will have their first opportunity to meet one another and to also meet the other economic groups, including provincial and federal governments, senior citizens, women's groups, unionized and non-unionized workers, and to say what they are willing to do and how quickly.

● (1610)

[English]

I am pleased to note that there is no diversion of opinion at all; in fact, we have full support from the NDP. There are five objectives which I believe are now well known. We want universal coverage. We have not attributed specific costs and priorities to the five objectives, with the exception of the fifth one; more flexibility in the age of retirement is obviously not in the same league as the other four objectives.

The first four objectives are, first, universal coverage—right now only one half of Canadian workers have a private pension; some form of indexing, a way of keeping the value of the dollar; equity for women—survivors' benefits and other questions such as the splitting of pension credits will be discussed. Then, of course, we want portability and early vesting, as well as flexible retirement.

The motion triggers interest in and curiosity about the conference more than anything else; it surely does not criticize us very deeply. The motion suggests that we should go to the conference with a specified position. We have objectives, but

we have kept enough flexibility to permit the various partners in the business of pension reform to play their role and come forward with proposals.

I believe this is the first time since I have become minister that I am directly involved in such a major undertaking with partners everywhere in our society, including all provincial, territorial and federal governments, and also the so-called private sector and many other groups in society. I must say that I am a bit astonished at the reaction expressed by the hon. member for Winnipeg North Centre, which I have heard in many quarters, both provincially and in the private sector.

People always complain that governments do not consult, that their ideas are already fixed when they go to the people and want their views to be accepted on certain matters. When we start the process, at its very beginning, with simple rules of the game and basic fundamental objectives, everyone thinks that there is a plot, and they want to know what your position is because you do not state it right away. But if you were to state it, you would not let the other partners really express their own views.

I would like to rebut a few points which were made by the hon. member for Winnipeg North Centre. He referred to a text of mine but did not check with me first to see if I really said that. The text referred to the government preferring the private pension sector. That is not the situation. The government has decided that there are five objectives. The government has decided to have a National Pensions Conference, with the various players, as the starting point of a process which will lead us to a real change in the situation. However, we have not decided which avenue would be the best. There are several avenues, not only an enlargement of the Canada Pension Plan. In theory, we can identify four avenues; but we have no preferred philosophy. It is not a matter for philosophy, by the way; it is a pragmatic problem. We have no ideology, and any avenue which will give Canadians and all Canadian workers good pensions will be the favoured avenue for us.

A major increase in the Canada Pension Plan is only one avenue, one of four which I can easily review with colleagues in this House. In theory, the government could decide that the private sector would do the job. That attitude of *laissez-faire* would let things fall into the hands of the private sector. A major question is whether coverage will be provided for everybody. Coverage is one of the key elements in the problem today.

A second avenue, in theory, is that a mix of legislation and regulation by all 11 governments—I should say all 13, including the territories—could impose rules of the game on the so-called private sector. All the governments could agree on similar legislation to force the private sector to give a pension, whatever the size of the industry or employer, to make it portable, to provide for early vesting, and so on and so forth.

The third avenue is the one recommended by the hon. member for Winnipeg North Centre, but not supported by his party, to my knowledge. This would be the enlargement of the Canada Pension Plan and one would say that we should forget the private sector. We will go the route of an imposed con-